

**Assembly Bill No. 1562**

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Passed the Assembly May 18, 2009

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*Chief Clerk of the Assembly*

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Passed the Senate September 2, 2009

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 2929 of the Labor Code, relating to employment.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1562, Committee on Labor and Employment. Employment: garnishment of wages.

Under existing law, an employer may not terminate an employee because garnishment of an employee's wages has been threatened or an employee's wages have been subjected to garnishment for the payment of one judgment.

This bill would prohibit an employer from terminating an employee because garnishment of the employee's wages has been threatened or the employee's wages have been subjected to garnishment for the payment of 5 or fewer judgments at any one time.

*The people of the State of California do enact as follows:*

SECTION 1. Section 2929 of the Labor Code is amended to read:

2929. (a) As used in this section:

(1) "Garnishment" means a judicial procedure through which the wages of an employee are required to be withheld for the payment of a debt.

(2) "Wages" has the same meaning as that term has under Section 200.

(b) An employer shall not discharge an employee by reason of the fact that the garnishment of the employee's wages has been threatened. An employer shall not discharge an employee by reason of the fact that the employee's wages have been subjected to garnishment for the payment of five or fewer judgments at any one time. A provision of a contract of employment that provides an employee with less protection than is provided by this subdivision is against public policy and void.

(c) Unless the employee has greater rights under the contract of employment, the wages of an employee who is discharged in

violation of this section shall continue until reinstatement notwithstanding his or her discharge, but the employee's wages shall not continue for more than 30 days and shall not exceed the amount of wages earned during the 30 calendar days immediately preceding the date of the levy of execution upon the employee's wages which resulted in his or her discharge. The employee shall give notice to his or her employer of his or her intention to make a wage claim under this subdivision within 30 days after being discharged; and, if the employee desires to have the Labor Commissioner take an assignment of his or her wage claim, the employee shall file a wage claim with the Labor Commissioner within 60 days after being discharged. The Labor Commissioner may take assignment of wage claims under this subdivision as provided for in Section 96. A discharged employee shall not recover wages under this subdivision if a criminal prosecution based on the same discharge has been commenced for violation of Section 304 of the Consumer Credit Protection Act of 1968 (15 U.S.C. Sec. 1674).

(d) Nothing in this section affects any other right the employee may have against his or her employer.

(e) This section is intended to aid in the enforcement of the prohibition against discharge for garnishment of earnings provided in the Consumer Credit Protection Act of 1968 (15 U.S.C. Secs. 1671–1677) and shall be interpreted and applied in a manner which is consistent with the corresponding provisions of that act.

Approved \_\_\_\_\_, 2009

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*Governor*